

### Remarks

Claims 1-5, 7-11 and 13-23 are at issue. Claims 6 & 12 have been cancelled and claim 23 has been added. Claims 19, 21 and 22 are allowable. Claims 13-18 and 20 would be allowable if rewritten to overcome the 35 USC § 112, second paragraph rejections. Claims 4-5, 10-11, 13-18 and 20 stand rejected under 35 USC § 112, second paragraph. Claims 1-5 stand rejected under 35 USC 102(b) as being anticipated by Kriegel et al. Claims 7 & 11 stand rejected under 35 USC 103 (a) as being unpatentable over Kriegel et al.

A new declaration is enclosed that corrects the error pointed out by the Examiner.

The specification has been amended as suggested by the Examiner.

Claims 4-5, 10-14, 17, 20 & 22 have been amended to overcome the objections raised by the Examiner.

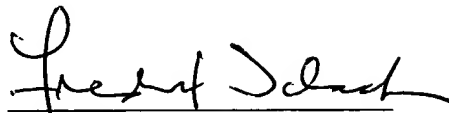
Independent claims 1 & 7 have been rejected based on Kriegel et al. Kriegel uses a dewatering step which in their case is a distillation process. See col. 3, lines 45-50. The applicant's invention does not have a dewatering step. As a result the applicant's invention is a continuous process, whereas Kriegel's invention is a batch process in that the dewatering step has to be performed for a batch of material before there is further processing. Claim 1 has been amended to clearly state that a continuous stream of used oil is heated and then the water is removed in a continuous process. Claim 7 has been amended to clearly state that no-dewatering step occurs before the sample is heated. In addition, claim 7 states that the percentage of water in the stream is tested and when it is greater than 4% it is heated by microwave. Claim 23 states that the oil stream is heated conventionally if the percentage of water is not greater than 4%. By removing the dewatering step and making the processes continuous from beginning to end, the present invention provides a process more suited to a production system. In addition, this reduces the cost of processing used oil. Claims 1 & 7 are allowable over the prior art.

Claims 2-5, 8-11 and 23 are allowable as being dependent from an allowable base claim.

The application has been placed in condition for allowance, prompt reconsideration and allowance are respectfully requested.

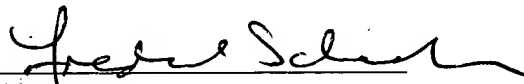
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Respectfully submitted,

By   
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I hereby certify that a Response is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner of Patents and Trademarks, Washington, D.C. 20231, on:

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